

Poverty in India: Still a Large Issue

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Abstract

Though India boasts of a high economic growth and poverty in India is reducing, but it is still a major issue. Poverty in India can be defined as a situation when a certain section of people are unable to fulfil their basic needs. India has the world's largest number of poor people living in a single country. Out of its total population, 872.3 million people are living below the poverty line.

The proportion of India's population below the poverty line has fluctuated widely in the past, but the overall trend has been downward. In order to end poverty, we must empower the women to transform their lives. It can be done through business training and mentoring. On an average, five people benefit for each woman.

The Economic Survey has proposed a Universal Basic Income that insures every citizen has a right to a minimum income to cover their basic needs as a long term solution to reduce poverty in India. There are about 950 central sector and centrally sponsored schemes in India, accounting for about 5% of the GDP budget allocation.

Keywords: NSS -National Sample Survey , GDP-Gross Domestic Product, GSDP –Gross State Domestic Product

Reference to this paper should be made as follows:

Dr. Manju Magan,
“Poverty in India: Still a Large Issue”,
RJPSSs 2017, Vol. 43,
No.1, pp. 281-285
[http://anubooks.com/
?page_id=2012](http://anubooks.com/?page_id=2012)
Article No. 38 (RJ1914)

Introduction

Though India boasts of a high economic growth and poverty in India is reducing, but it is still a major issue. Poverty in India can be defined as a situation when a certain section of people are unable to fulfil their basic needs. India has the world's largest number of poor people living in a single country. Out of its total population, 872.3 million people are living below the poverty line. It can be classified into two categories; Rural Poverty and Urban Poverty. Rural Indians depend on unpredictable agriculture incomes, while Urban Indians rely on jobs that are, at best, scarce. Nearly 75% of the poor people are in rural areas, most of them are daily wagers, landless labourers and self-employed house holders.

A comparative study of poverty of neighbouring Nation may be seen in the following table:

Country	Percentage of Population
Bangladesh	31.5
Bhutan	12.0
India	21.9
Maldives	15.0
Nepal	25.2
Sri Lanka	6.7

Source: Basic Statistics 2017

As per the Table, In India, 21.9% of population lives below the National Poverty Line, while in Bangladesh, its percentage is 31.5, which is higher to India. In Nepal, it is 25.2%, while in Bhutan and Sri Lanka, it is 12.0% and 6.7%. It means, India's position is better than Nepal and Bangladesh.

Hypothesis of Paper:

1. Government has initiated, sustained and refined many programmes since independence to help the poor, but poverty is still an issue.
2. Population increase is one of the main cause of poverty in India.
3. Poverty rate has declined after 1998 due to the government schemes.

Relevance:

Since 1950's, The Indian Government and Non-Government organisations have initiated several programmes to alleviate poverty, including subsidizing food and other necessities. State Governments are important participants in anti-poverty programmes. The Central Government tries to establish programmes and norms among the States and Union Territories, but implementation has often remained at

the lower bureaucratic levels. This paper has relevance in the sense to find out some measures to mitigate the problems.

Although The Indian Economy has grown steadily over the last three decades, the growth has been uneven when comparing to social groups, economic groups, geographic regions and rural-urban areas. For the year 2015-16, the GSDP growth rates of Andhra Pradesh, Bihar and Madhya Pradesh were higher than Maharashtra, Orissa and Punjab. Despite significant economic progress, one quarter of the Nation's population earns less than the government specified poverty threshold of Rs.32 per day.

The proportion of India's population below the poverty line has fluctuated widely in the past, but the overall trend has been downward. However there have been roughly three periods of trends in income poverty. 1950 to mid-1970's, income poverty reduction shows no discernible trend. In 1951, 47% of India's rural population was below the poverty line. The population went up to 64% in 1954-55, it came down to 45% in 1960-61 but in 1977-78, it went up again to 51%.

Mid 1970's to 1980: Income Poverty declined significantly between the mid 1970's and the end of 1980's. The decline was more pronounced between 1977-78 and 1986-87, with rural income poverty declining from 51% to 39%. It went down further to 34% by 1989-90.

After 1991, the post economic reform period evidenced both setbacks and progress. NSS data for 1994-95 to 1998 show little or no poverty reduction. The official estimate of poverty for 1988-2000 was 26.1%, a dramatic decline that led too much debate and analysis.

Table 2:

Year	Uniform Poverty Rate (%)
1977-78	51.3
2004-05	27.5
2009	31.2
2012	22
2015	21.4

Despite the data above the table, other indicators show the poor condition of India. In India, for every 1000 babies born, 38 die before their first birth day. Over population in India is not just a myth but a crude fact to both the nationals and the government. According to an estimation, around 53% of the below 5 years Indian population is not malnourished and 37% had no access to safe drinking water and

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more than 25% population falls under the poverty line. Slums of India are simply over boarded with countless children taking birth everyday. People, who are unable to arrange for two times food on regular basis, do not refrain from giving birth to babies. These street children simply grow up without adequate food, facilities and education. Thus, they contribute to the overwhelming unemployment in India. It is almost impossible for the government to award all the young people of India with a job and sufficient food.

Conclusions and Suggestions:

Poverty is often characterized with income disparity and unequal distribution of national wealth between the rich and the poor. The report on socio-economic and caste census (2011) reveals that only 4.58% of rural households pay income tax. Around 56% of village households do not own a land. A limit to purchase land, vehicle, gold, assets should be fixed.

Poor people move from villages to towns and from one town to another in search of employment. Since they are mostly illiterate and unskilled, there are very low employment opportunities open for them. Therefore, there is a need to train them and providing education. Education becomes extremely difficult when people are deprived of basic necessities of life. It is the main reason of child labour too.

Poor people don't get proper living conditions. They have to fight the hardship of poverty to secure food, clothes and shelter. They are not aware of the harmful consequences of not maintaining proper hygiene. The government is taking initiatives to make available clean and safe water and proper sanitation system to them. Film making and showing them is the best way to make them aware.

Different minimum wage rates apply in towns and rural areas, and rates have been periodically increased but not sufficiently to compensate for the rise in consumer prices. Unorganised sector needs some type of registration. Government may organise some camps to make aware the laws, minimum wages and service conditions for unskilled labour. Government should register each and every unskilled labour. Law should be made in such a way that no one can hire unskilled labour without registration. Their wages payment should be made through bank account.

There seems a relationship between poverty and population growth. Population increased causes lack of access to education and health care, which leads to few jobs prospects and low earning, which results in poor health and nutrition; stunted physical/mental development. The result of poor nutrition is higher rates of mortality for mothers and children alike. Surviving children are weaker and lacks energy. This leads to a reduced ability to work and learn.

This results a fewer job choices and poverty remains the same. Population is influenced by- and influences- population dynamics, including population growth, age structure and rural urban distribution.

The Economic Survey has proposed a Universal Basic Income that insures every citizen has a right to a minimum income to cover their basic needs as a long term solution to reduce poverty in India. There are about 950 central sector and centrally sponsored schemes in India, accounting for about 5% of the GDP budget allocation.

India accounted for the largest number of people living below international poverty line in 2013, with 30% of its population under the \$1.90-a day. Poverty measure, the World Bank said.

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